

RECEIVED MAY 17 1988

## ROUTING AND RECORD SHEET

## SUBJECT: (Optional)

Allegations Against Agency Subcontractor

## FROM:

Chief, Contracts Staff, FMD  
3E37 Headquarters

## EXTENSION

## NO.

## DATE

12 May 1988

DD/A Registry  
88-1098XSTAT  
STAT

## TO: (Officer designation, room number, and building)

## DATE

## RECEIVED

## FORWARDED

## OFFICER'S INITIALS

## COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

C/MS/FMD/OL

5/12

2.

DC/FMD/OL

5/14

3.

C/CS/FMD/OL

5/17

4.

D/OL

5/18

5.

6.

DDA  
7D24 Hqs

Seen 5/21

7.

8.

Inspector General  
6E08 Hqs.

9.

10.

11.

12.

13.


14.

15.

18 May 1988

4 to 8 - Bill:

The attached package is in response to your memorandum, dated 12 April 1988, which requested us to look into the allegations that H.L. Martz, a subcontractor to Allied, was not paying appropriate wages to its carpet layers. As you will note from the attached, the allegations appear to be an attempt by former H.L. Martz employee(s) to create problems for the company because they were fired. Please let me know if there is any other action you would like us to undertake.

  
John M. Ray  
Director of Logistics

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12 May 1988

MEMORANDUM FOR: Director Of Logistics

FROM: Chief, Contracts Staff,  
Facilities Management Division/OL

SUBJECT: Allegations Against Agency Subcontractor

REFERENCE: Memo for C/CS/FMD, dated 19 April 1988, Same Subject

1. The information I have obtained from Ogden Allied indicates that allegations against its subcontractor are groundless. The subcontract with H. L. Martz Construction Corporation (H. L. Martz) does include the appropriate Labor Standards Provisions (SF19A).

2. According to Allied's Site Manager, the foreman for H. L. Martz stated that he recently fired an employee for poor performance. The employee became abusive and threatened to "fix it so that he would get no more government work".

3. A copy of the subcontract is attached (Attachment 1). In Clause 15 of Exhibit A to the contract, the SF19A is incorporated by reference, which is appropriate since it is a common document. The Wage Determination required by SF19A is an attachment to the contract. On Page 5 of the Determination, the minimum hourly rate indicated for carpet layers is \$9.98, plus \$.50 for fringe benefits. A Certified Payroll Form (Attachment 2) from H. L. Martz indicates \$12.00 is the lowest hourly wage paid to carpet layers working on this project.

4. The allegations appear to be an attempt by a former H. L. Martz employee to create problems for the company because he was fired, and the subcontract contains appropriate labor provisions.

5. If further information is required, I can be reached on

25X1

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Attachments